

## Order recorded under CODE OF VIRGINIA \$ 45.1-361.26

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF

An Order for Disbursement of Escrowed Funds

SOUGHT:

(and Authorization for Direct Payment of Royalties)

JURISDICTION:

Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: VC-504484

TRACT(S):

A portion of 2

LOCATION:

**DICKENSON County, Virginia** 

**TAX ID NUMBERS:** 

Tax Map Identification Numbers for all parcels affected by this order are shown on: Exhibit B

**DOCKET NUMBER:** VGOB-01-0821-0919-03

**APPLICANTS:** 

EQT Production Company on behalf of Eva Adkins, Timothy Redden

**HEARING DATE AND LOCATION:** 

Russell County Government Center, Lebanon, Virginia

December 17, 2013 and March 18, 2014

**APPEARANCES:** 

James Kaiser on behalf of EQT Production Company

#### **PRIOR PROCEEDINGS:**

- 1. Original Pooling Order Executed 10/02/2001, Recorded on 10/04/2001, Deed Book/Instrument No. 368, Page 670.
- Supplemental Order Executed 02/13/2002, Recorded on 02/25/2002, Deed Book/Instrument No. 373, Page 77.
- 3. Disbursement Order -01 Executed 12/05/2007, Recorded on 12/17/2007, Deed Book/Instrument No. 446, Page 682.
- 4. Disbursement Order -02 Executed 04/17/2012, Recorded on 06/05/2012, Deed Book/Instrument No. 497, Page 588.

#### NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the December 17, 2013 hearing and was was continued to March 18, 2014 where the Board considered whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract(s) A portion of 2 identified in the attached petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract(s) A portion of 2 relative to the interests of the Applicants identified in the attached petition.
- (3) Continue the escrow account under this docket number.

FINDINGS:

Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

Range Resources-Pine Mountain was a conflicting claimant with Eva Mae Adkins with regard to Tract 2 as created by Board Order VGOB 01/08/21-0919. To resolve this conflict, an Order entered September 4, 2013 by the United States District Court for the Western District of Virginia is attached hereto. The court ruling, Case No. 1:11-cv-00031 found the Adkins to be the owner of the CBM and resolved the conflict. By deed Ms. Adkins stold her property to Timothy Redden who is to be the recepient from July 1 through present.

#### **RELIEF GRANTED:**

VGO	B Disb	pursement	Fractional	Net Acreage	Royalty	Escrowed	Percent of	Disbursement
Unit VC-504484  VGOB-01-0821-0919-03  Table 1 (pay exact dollar amount based on account balance of 6/30/2009)  Tracts: A portion of 2		Ownershi p in Tract	Ownership	Split Agreement	Acres Disbursed	Escrowed Funds Disbursed		
			inTract					
Item	Tract	Disbursement Table						
		Total acreage in escrow before disbursement	-		_	4.22010		
	2	Tract 2 (total acreage)	6.33	<u> </u>				
1	2	Eva Adkins\P. O. Box 1966, Coeburn, VA 24230		0.5755	100.00%	0.5755	13.6371%	\$606.48

VGOB Disbursement		Fractional	Net Acreage	Royalty	Escrowed	Percent of	
Unit \	Unit VC-504484		Ownership	Ownership	Split	Acres	Escrowed Funds
VGO	VGOB-01-0821-0919-03			inTract	Agreement	Disbursed	Disbursed
Table 2 (pay percentage on balance after deducting the above balance)							
Tract	Tracts: A portion of 2						
Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement				4.22010	
	2	Tract 2 (total acreage)	6.33	l			
1	2	Timothy Redden\400 West Main Street, Clintwood, VA 24228		0.5755	100.00%	0.5755	13.6371%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1 and 2.

2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

#### **CONCLUSION:**

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

#### APPEALS:

Appeals of this Order are governed by the provisions of the Code of Virginia § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

S

 $\boldsymbol{\sigma}$ 

DONE AND EXECUTED this 18 day of April, 2014 by a majority of the Virginia Gas and Oil Board.

Chairman, Bradley C. Lambert

8 Sung C. Janke

Rick Cooper

DONE AND PERFORMED this 18 day of April, 2014 by Order of the Virginia Gas and Oil Board.

Rick Cooper

Principal Executive to the staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA COUNTY OF RUSSELL

Acknowledged on this 18 day of 201, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.

Diane J. Davis, Notary Public

174394

My Commission expires: September 30, 2017

#### **BEFORE THE VIRGINIA GAS AND OIL BOARD**

PETITIONER: EQT Production Company DIVISION OF GAS AND OIL

**DOCKET NO: VGOB** 01-0821-0919-03

RELIEF SOUGHT: (1) DISBURSEMENT FROM 
ESCROW REGARDING TRACT(S) A portion of 2

(2) AND AUTHORIZATION FOR DIRECT

PAYMENT OF ROYALTIES

HEARING DATE: November 19, 2013

DRILLING UNIT: VC-504484

**DICKENSON COUNTY, VIRGINIA** 

#### PETITION FOR ORDER OF DISBURSEMENT OF ESCROW FUNDS

## 1. Petitioner and its counsel

Petitioner is EQT Production Company, 225 North Shore Drive, Pittsburgh, PA 15212, (412)553-5700. Petitioner's counsel is James Kaiser, Wilhoit and Kaiser Law Firm, 220 Broad Street, Suite 210, Kingsport, TN 37660.

## 2. Relief Sought

A petition for the disbursement of funds on behalf of Eva Mae Adkins in Tract 2 in Drilling Unit VC -504484, VGOB 01/08/21-0919.

### 3. Legal Authority

Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

## 4. Type of Well(s)

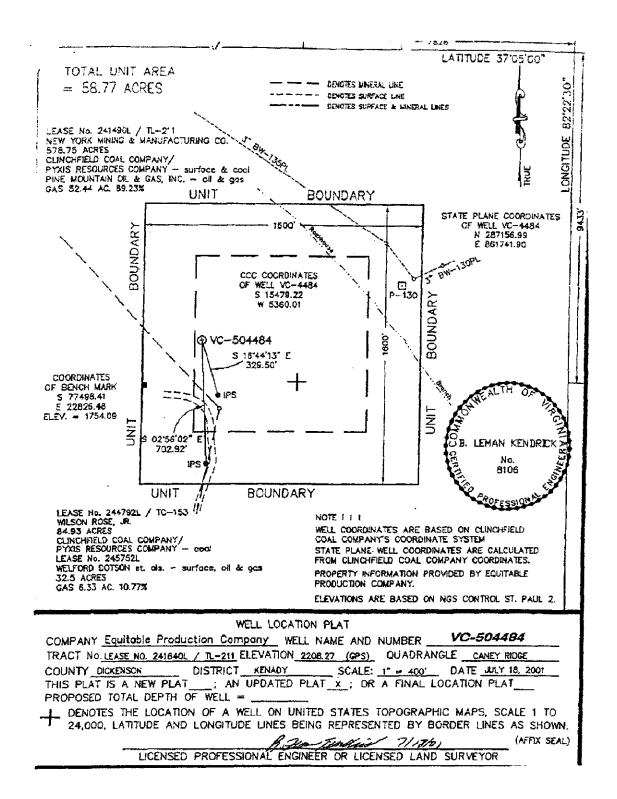
Coalbed Methane

#### 5. Factual basis for relief requested

Range Resources-Pine Mountain was a conflicting claimant with Eva Mae Adkins with regard to Tract 2 as created by Board Order VGOB 01/08/21-0919. To resolve this conflict, an Order entered September 4, 2013 by the United States District Court for the Western District of Virginia is attached hereto. The court ruling, Case No. 1:11-cv-00031 found the Adkins to be the owner of the CBM and resolved the conflict.

## 6. Attestation

The foregoing Petition to the best of my knowledge, information, and belief is true and correct.



VGOB D	isbursement	Fractional	Net Acreage	Royalty	Escrowed	Percent of	Disbursement
Unit VC-504484  VGOB-01-0821-0919-03  Table 1  Tracts: A portion of 2		Ownershi p	Ownership	Split	Acres	Escrowed Funds	
		in Tract	inTract	Agreement	Disbursed	Disbursed	
Item Tra	act Disbursement Table						
	Total acreage in escrow before disbursement				4.22010		
	2 Tract 2 (total acreage)	6.33	<u> </u>	l	<u>.</u>		
1 :	2 Eva Adkins\PO Box 1966, Coeburn, VA 24230		0.5755	100.00%	0.5755	13.6371%	\$472.74

Wells contributing to the escrow account: VC-504484 W/PL

## EXHIBIT "B" VC-504484 VGOB 01/08/21-0919 Revised 2/6/2014

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT	NET REVENUE INTEREST	
Gas Estate Only						
1 Tax ID 13018	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC	89.230000%	52.4400	0.11153750 i	RI
	Equitable Production Company				0.78076250	WI
Tract 1 Totals	•	- -	89.230000%	52.44	0.89230000	
2 Tax ID 4145	Imogene Adkins PO Box 16085 Bristol, VA 24209-6085	Leased 245752	0.299167%	0.1758	0.00037396	RI
	Dudley Redden and Gladys Charles Redden, h/w 118 Spur Street Pounding Mill, VA 24637	Leased 245752.19	0.099722%	0.0586	0.00012465 I	RI
	Timothy Redden and Edith Redden, h/w 400 West Main Street Clintwood, VA 24228	Unleased	0.099722%	0.0586	0.00012465	Ri
	Angela Redden 3717 Forrest Green Drive Lexington, KY 40517	Leased Range Resources	0.099722%	0.0586	0.00012465 i	RI
	Edith A. Goodman, widow Unknown	Unleased	0.299167%	0.1758	0.00037396	RI
	Bruce Adkins and Norma Adkins, H/W Unknown	Unleased	0.299167%	0.1758	0.00037396	RI
	Curtis Bise and Mable Bise, H/W 4218 Highway 144 South Glen Rose, TX 76043	Deemed Leased	1.196667%	0.7033	0.00149583 I	RI
	Lorene Wells and Ralph Wells, W/H Unknown	Unleased	1.196667%	0.7033	0.00149583	RI
	Larry Houston, single 2055 Devault Bridge Road, #28 Piney Flats, TN 37686	Deemed Leased	1.196667%	0.7033	0.00149583 i	RI

## EXHIBIT "B" VC-504484 VGOB 01/08/21-0919 Revised 2/6/2014

	TOTAL GAS ESTATE		100.000000%	58.7700	1.00000000	
Tract 2 Totals	•		10.770000%	6.3300	0.10770000	
	Equitable Production Company				0.09423750	WI_
	E. C. Adkins and Cloria M. Adkins Burnside their Heirs Successors and Assigns Unknown	Unleased	0.217576%	0.1279	0.00027197	RI
	Timothy Redden 400 West Main Street Clintwood, VA 24228 *Per Deed, June 26, 2009 through present					
	Eva Adkins PO Box 1966 Coeburn, VA 24230 *Per Deed, through June 26, 2009	Unleased	0.979090%	0.5755	0.00122386	RI
	Donald R. Hilton and Carolyn Hilton, H/W 404 Punch Run Road Front Royal, VA 22630	Leased-EPC 245752L 02	1.196667%	0.7033	0.00149583	RI
	Welford Dotson, single Route 2, Box 315 Coeburn, VA 24230	Leased-EPC 245752L 01	1.196667%	0.7033	0.00149583	RI
	Bill Nash, Single Unknown	Unleased	1.196667%	0.7033	0.00149583	RI
	Selma Adkins Unknown	Unleased	1.196667%	0.7033	0.00149583	RI

## EXHIBIT "B" VC-504484 VGOB 01/08/21-0919 Revised 2/6/2014

Coal	<b>Estate</b>	Only
------	---------------	------

1 Tax ID 21980	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 241490L Tract TL-211	89.230000%	52.4400	0.11153750	RI
Tract 1 Totals	Equitable Production Company		89.230000%	52.4400	0.78076250 0.89230000	WI
2 Tax ID 11760	Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-153	10.770000%	6.3300	0.01346250	RI
Tract 2 Totals	Equitable Production Company		10.770000%	6.3300	0.09423750 0.10770000	WI

100.000000%

58.7700 1.00000000

\*Formerly: Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 2136 Abingdon, VA 24212

**TOTAL COAL ESTATE** 

## EXHIBIT "E" VC-504484 VGOB 01/08/21-0919 Revised 2/6/2014

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN UNIT	GROSS ACREAGE IN UNIT
		Gas Estate Only		
2	Imogene Adkins PO Box 16085 Bristol, VA 24209-6085	Unleased	0.299167%	0.1758
	Dudley Redden and Gladys Charles Redden, h/w 118 Spur Street Pounding Mill, VA 24637	Unleased	0.099722%	0.0586
	Timothy Redden and Edith Redden, h/w 400 West Main Street Clintwood, VA 24228	Unleased	0.099722%	0.0586
	Angela Redden 3717 Forrest Green Drive Lexington, KY 40517	Unleased	0.099722%	0.0586
	Edith A. Goodman, widow Unknown	Unleased	0.299167%	0.1758
	Bruce Adkins and Norma Adkins, H/W Unknown	Unleased	0.299167%	0.1758
	Lorene Wells and Ralph Wells, W/H Unknown	Unleased	1.196667%	0.7033
	Selma Adkins Unknown	Unleased	1.196667%	0.7033
	Bill Nash, Single Unknown	Unleased	1.196667%	0.7033
	Donald R. Hilton and Carolyn Hilton, H/W 404 Punch Run Road Front Royal, VA 22630	Leased-EPC 245752L 02	1.196667%	0.7033

## EXHIBIT "E" VC-504484 VGOB 01/08/21-0919

## Revised 2/6/2014

E. C. Adkins and Cloria M. Adkins Burnside	Unleased	0.217576%	0.1279
their Heirs Successors and Assigns Unknown		6.200909%	3.6446
Total Gas Estate		6.200909%	3.6446
Co	al Estate Only		
2 Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-153	6.200909%	3.6446
Total Coal Estate		6.200909%	3.6446

\*Formerly: Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 2136 Abingdon, VA 24212

## EXHIBIT "EE" VC-504484

VGOB 01/08/21-0919 Revised 2/6/2014

TRACT	<u>LESSOR</u>	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE IN UNIT				
Disbursement -01								
2	Gas Estate Only Welford Dotson, single Route 2, Box 315 Coeburn, VA 24230	Leased-EPC 245752L 01	0.897500%	0.5275	75%			
	Coal Estate Only Range Resources-Pine Mountain, Inc* Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Leased-EPC 244792L TC-153	0.491668%	0.1758	25%			
	Total Subsequent to RR-PM Split		0.01389168	0.7033				
	Disburseme	nt -02						
	Gas Estate Only							
2	Curtis Bise and Mable Bise, H/W 4218 Highway 144 South Glen Rose, TX 76043	Leased	1.196667%	0.7033	100%			
	Larry Houston, single 2055 Devault Bridge Road, #28 Piney Flats, TN 37686	Deemed Leased	1.196667%	0.7033	100%			
	TOTAL SUBSEQUENT TO RANGE WAIVE	R	2.39333400%	1.40660000				

## EXHIBIT "EE" VC-504484

VGOB 01/08/21-0919 Revised 2/6/2014

## **Current Disbursement -03**

2 Eva Adkins

Unleased

0.979090%

0.5755 100%

PO Box 1966 Coeburn, VA 24230 \*Per deed, pay through June 26, 2009

Timothy Redden 400 West Main Street Clintwood, VA 24228 \*Per deed, pay June 26, 2009 through present

**TOTAL SUBSEQUENT TO ORDER** 

0.979090%

0.5755

\*Formerly:

Pine Mountain Oil & Gas, Inc.

Attn: Richard Brillhart

PO Box 2136

Abingdon, VA 24212

CLERK'S OFFICE U.S. DIST. COURT AT ABINGDON, VA FILED

# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF VIRGINIA

EVA MAE ADKINS, on behalf of herself and all others similarly situated,

Plaintiff,

Case No. 1:11-cv-00031

v.

EQT PRODUCTION COMPANY, et al.,

Defendants.

## **ORDER**

THIS CAUSE having come before the Court on Interpleader Defendant Range Resources

- Pine Mountain, Inc.'s ("Range Resources") Motion for Judgment on the Pleadings, and by
agreement of Plaintiff/Interpleader Defendant Eva Mae Adkins ("Adkins") and
Defendant/Interpleader Plaintiff EQT Production Company ("EQT") the Court hereby:

- Finds that Adkins is the owner of coalbed methane ("CBM") interests on the lands identified in Paragraph 10 of Adkins' Amended Class Action Complaint (Doc. No. 139) (the "Adkins Lands"), and Range Resources is not the owner of the CBM interests on the Adkins Lands;
- Finds that the alleged conflicting claims to CBM royalties between Adkins and Range Resources is hereby resolved in favor of Adkins in accordance with Va. Code § 45.1-361.22;
- Finds that the money denoted by EQT as the "Suspense Fund" in its Interpleader Complaint (Doc. No. 103) and deposited by EQT into the registry of the Court is the property of Adkins;

Case 1:11-cv-00031-JPJ-PMS Document 251 Filed 09/04/13 Page 2 of 2 Pageid#: 4139

4. Finds that the money in the Virginia Gas and Oil Board's escrow account

attributable to Adkins' interest is the property of Adkins;

5. Finds that Adkins is entitled to all past and future royalties, including money held

in the Virginia Gas and Oil Board's escrow account attributable to her interest and

the Suspense Fund, from EOT's production of CBM on the Adkins Lands; and

6. Having adjudicated the alleged conflicting claims identified by EQT to the CBM

on the Adkins Lands, hereby orders the Clerk of Court to pay the Suspense Fund

to Adkins within 30 days of entry of this Order, and directs the parties to take all

necessary steps to have all money held in the Virginia Gas and Oil Board's

escrow account attributable to Adkins' interest disbursed and paid to Adkins, and

further orders that all future royalties associated with CBM production on the

Adkins Lands be paid to Adkins, as no conflicting claims remain.

This Order shall constitute a Final Judgment of EQT's Interpleader Claim (ECF No. 103)

pursuant to Federal Rule of Civil Procedure 54(b). Range Resources' Motion for Judgment on

the Pleadings (ECF No. 246) is terminated. Range Resources is terminated as a party to this

action. The judgment shall be without prejudice to any other claims Adkins may have against

EQT. The parties shall bear their own costs.

SO ORDERED on this the 4th day of September, 2013

United States District Judge



February 14, 2014

EQT Production Company P.O. Box 23536 Pittsburgh, PA 15222

ATTENTION: Kristie Rudick

Re:

Permanent Release of CBM Royalty

Wells VC-504248, VC-505241, VC-504484

Dickenson County, Virginia

#### Dear Kristie:

As you are aware, EQT Production Company ("EQT") has drilled the above-referenced coalbed methane gas wells on the Joseph A. Adkins Heirs et al Tract ("Subject Tract") or on other acreage encompassed within the above-referenced well units under pooling orders from the Virginia Gas and Oil Board ("Board"). For these wells, Pine Mountain Oil & Gas, Inc., is listed as having conflicting claims with the Joseph A. Adkins Heirs, et al. Pine Mountain Oil & Gas, Inc., predecessor in title to Range Resources - Pine Mountain, Inc. ("RRPM"), is listed as claiming under a coal title. The Joseph A. Adkins Heirs et al (which includes Eva Mae Adkins and/or Eva Mae Adkins et vir) is listed as claiming under a gas title. Plats indicating the location of the wells within the operating units are enclosed for your reference.

EQT, as operator of the units, has placed or will place all royalty proceeds attributable to conflicting claims into an escrow account. In order to allow release of the royalty proceeds, RRPM hereby waives any claims to past or to future royalties attributable to the interest in these wells to Timothy Ray Redden obtained from Eva Mae Mullins Adkins pursuant to a Quitclaim deed dated June 26, 2009, of record in the Circuit Court Clerk's Office of Dickenson County, Virginia, in Deed Book 471, Page 396, Instrument No. 090001827.

By copy of this letter, RRPM is requesting EQT to initiate distribution directly to Timothy Ray Redden of all current royalties, as well as all future royalties, attributable to Timothy Ray Redden's interests in these wells derived from the aforesaid deed from Eva Mae Mullins Adkins.

EQT Production Company February 14, 2014 Page 2

If you have any questions, please do not hesitate to call me at 276-619-2583.

Sincerely,

RANGE RESOURCES-PINE MOUNTAIN, INC.

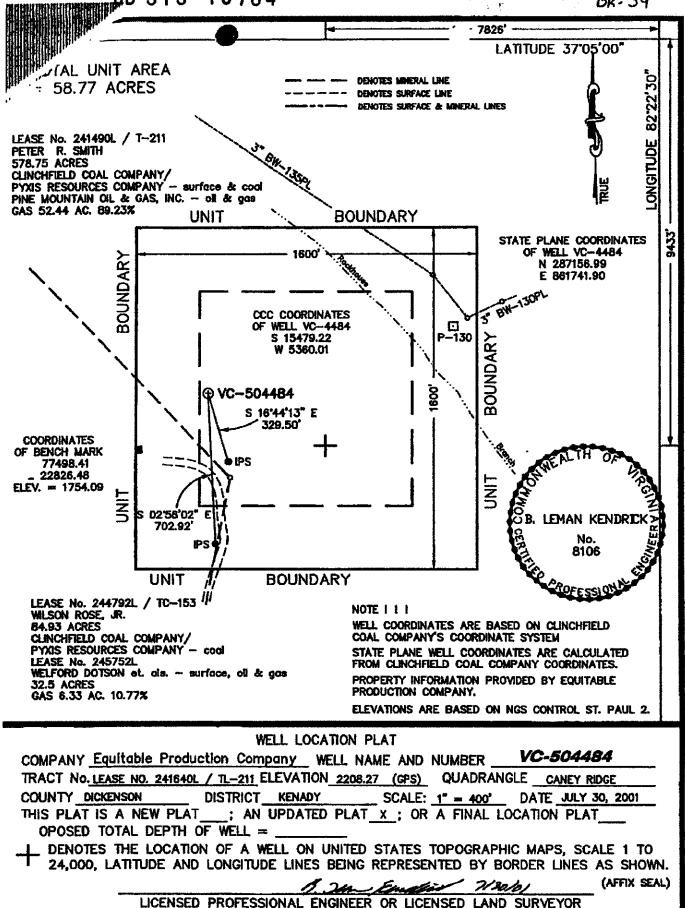
Phil Horn Land Manager

Phil Han

Enclosures

cc: Rita Barrett, EQT

George Heflin, EQT Debbie Louthian, RRPM



INSTRUMENT #140000497
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
APRIL 25, 2014 AT 11:31AM

RICHARD W. EDWARDS; CLERK RECORDED BY: OCC